

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 537 (Senators Salling and Bates)
 Budget and Taxation

Public Health - School Buildings - Minimum Health Standards (Healthy Schools Program)

This bill establishes the Healthy Schools Program within the Department of Health and Mental Hygiene (DHMH) to promote a healthy environment in each public school by establishing minimum standards, in consultation with the Interagency Committee on School Construction (IAC), to protect the health of public school building occupants. Under the bill, schools are subject to announced or unannounced inspections by State inspectors; schools that fail to correct any violation of the standards set under the bill are subject to legal action to correct the violation.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: General fund expenditures by DHMH increase by \$591,100 in FY 2018 to implement the Healthy Schools Program. Out-year costs reflect annualization and ongoing operating costs. IAC can carry out its responsibilities with existing resources. The Judiciary (Administrative Office of the Courts) can accommodate any increase in filings in circuit court with existing budgeted resources. No effect on capital funding for public school construction, which is established annually by the Governor and General Assembly; to the extent that funding is used to address school deficiencies under the program, other projects do not receive funding. No effect on revenues.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	591,100	651,400	679,200	708,600	739,700
Net Effect	(\$591,100)	(\$651,400)	(\$679,200)	(\$708,600)	(\$739,700)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Capital and operating expenditures by local school boards likely increase significantly to ensure that every school meets the healthy schools standards developed under the program. Legal costs for local school boards may also increase substantially if school violations are not corrected. Revenues are not affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential meaningful for small construction and school maintenance companies.

Analysis

Bill Summary: The Secretary of Health and Mental Hygiene must, in consultation with IAC, adopt regulations that establish minimum standards to protect the health of public school occupants, including specifications for:

- indoor air quality;
- drinking water quality;
- asbestos encapsulation or removal;
- lead-based paint hazards;
- temperature ranges in classrooms;
- mold remediation; and
- control of pests.

To enforce these standards, a representative of the Secretary may, at any reasonable time, enter and inspect a public school on an announced or unannounced basis to determine if the school is in violation of any of the standards. A person may not refuse to grant access to the Secretary's representative or interfere with any inspection of a public school.

If the Secretary finds that a public school is in violation of any of the standards, the Secretary *must* notify the school principal and the local school system in writing (1) of the specific findings; (2) a reasonable time by which the local school system must correct the violation; and (3) that, if the violation is not corrected by the date specified, the Secretary may file a complaint in circuit court.

If a local school system fails to correct a violation by the date specified, the Secretary *may* file a complaint in the circuit court where the school is located. The complaint may seek a court order requiring the local school system to correct the violation and prevent the violation from recurring.

Current Law: The Board of Public Works, in consultation with the Department of General Services (DGS) and the Department of Housing and Community Development, must develop regulations establishing criteria to enhance indoor air quality in relocatable classrooms constructed after July 1, 2014, which are purchased or leased using State or local funds. Public school buildings that are newly constructed or substantially remodeled must install carbon monoxide detectors in areas where fuel-fired equipment is present.

Each year, IAC must survey the condition of school buildings identified by the Maryland State Department of Education. DGS must conduct the inspections of buildings that IAC requires in order to complete the required inspections. IAC must report the results of the survey annually to the Governor and General Assembly.

Background: The U.S. Environmental Protection Agency (EPA) has found that indoor levels of pollutants may be two to five times – and occasionally more than 100 times – higher than outdoor levels. Recent studies by EPA and its Science Advisory Board have consistently ranked indoor air pollution among the top five environmental risks to public health. There is substantial evidence that indoor exposure to allergens plays a role in triggering asthma symptoms, for instance. As a result, EPA has developed numerous tools for schools to use in monitoring and mitigating factors affecting indoor air quality.

There are approximately 1,400 public school buildings in the State. In general, the State Fire Marshal, local school systems, and local governments are responsible for monitoring and enforcing the safety of public schools.

Although the statute requires DGS to conduct school maintenance inspections, in practice, IAC now hires inspectors to conduct the annual school maintenance survey. According to the fiscal 2016 survey, IAC has a goal of inspecting every school once every six years. It publishes its maintenance guidelines on its website, and the annual maintenance report includes a brief evaluation of each local school system's maintenance practices based on those guidelines. IAC inspectors have conducted maintenance inspections of at least 200 schools in each year since fiscal 2011, including 227 schools in fiscal 2016. IAC has no authority to enforce compliance with its maintenance guidelines, but it does consider maintenance practices and policies in its recommendations of planning and funding requests for public school construction projects.

State Expenditures: DHMH lacks the personnel to implement a comprehensive Healthy Schools Program. Therefore, general fund expenditures increase by \$591,080 in fiscal 2018, which accounts for a 90-day start-up delay from the bill's July 1, 2017 effective date. This estimate reflects the cost of hiring five licensed environmental health specialists to conduct school inspections on a regional basis, one program administrator and one office secretary to develop the health standards and manage the program, and one assistant Attorney General to adjudicate filings in circuit court for schools where violations of health

standards are not corrected by the required date. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses, including vehicles and related expenses for the environmental health specialists and communication charges.

Positions	8
Salaries and Fringe Benefits	\$444,964
Vehicle Purchase and Operation	86,918
Other Operating Expenses	<u>59,198</u>
Total FY 2018 State Expenditures	\$591,080

Future year expenditures reflect full salaries with annual increases and employee turnover and ongoing operating expenses.

Local Expenditures: Expenditures by local school systems increase, likely significantly, for capital and maintenance improvements to ensure that all schools meet the new health standards developed by the program, either before or after they are inspected. The costs of any necessary capital improvements are shared with the State through public school construction funding, but other maintenance costs are borne entirely by the local school system. In addition, local school systems may incur significant legal costs for violations of the health standards in schools that are not corrected.

Small Business Effect: Small businesses that provide maintenance services to public schools may see increased demand for their services. In addition, small construction companies may see increased demand for systemic projects to upgrade building systems to meet the new health standards.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Maryland State Department of Education; Public School Construction Program; Department of Health and Mental Hygiene; U.S. Environmental Protection Agency; Department of Legislative Services

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